



**The Comptroller General
of the United States**

Washington, D.C. 20548

Decision

Matter of: Harold M. Thompson - Travel Expenses -
Exchange Rate Differential
File: B-222833
Date: January 2, 1987

DIGEST

An employee on official travel may not be reimbursed for losses he alleges that he sustained in converting United States dollars into Saudi Arabian Riyals. As a general rule, the risk of incurring an exchange loss while on temporary duty in a foreign country lies with the employee. Absent statutory or regulatory authorization, losses incurred on a currency exchange may not be reimbursed.

DECISION

This decision is in response to an appeal by Mr. Harold M. Thompson from our Claims Group's Settlement Z-2854754, October 24, 1985, denying his claim for reimbursement of an amount of money which he characterizes as exchange "losses" he alleges that he incurred when he converted United States dollars into Saudi Arabian Riyals. We sustain our Claims Group's determination because the risk of incurring an exchange loss while on temporary duty lies with the employee and there is no authority for such reimbursements. Further, the perceived "loss" was not necessarily incurred in connection with official business and is therefore personal to Mr. Thompson and not payable by the Government.

BACKGROUND

From January 12, 1984, to March 12, 1984, the Air Force Logistics Command assigned Mr. Thompson to temporary duty in Riyadh and other locations in Saudi Arabia. At the time of this temporary duty assignment Mr. Thompson was employed by the Air Force as a Supervisory Logistics Management Specialist stationed at Robins Air Force Base, Georgia. In connection with his travel, he received a \$12,186.40 travel advance, to offset his anticipated per diem, travel and miscellaneous expenses. Mr. Thompson claims to have

037718

converted his entire travel advance of \$12,186 into Saudi Arabian Riyals during the 60-day period of his temporary duty. During this time, Mr. Thompson reports that the published Saudi Riyal exchange rate per United States dollar was 3.51. However, Mr. Thompson claims that this exchange rate was obtainable only at local Saudi banks which were not accessible to him because banking hours were in conflict with his work hours. Therefore, Mr. Thompson reports that it was necessary for him to obtain local currency for his dollars from other sources, typically from the Marriott Hotel where he was a guest. However, the Marriott Hotel was only offering an exchange rate of 3.25 Riyals to the dollar, a difference of .26 from the rate of exchange offered by local banks. Mr. Thompson has chosen to characterize this .26 differential as "commissions" which added up to \$902.67 when applied against the entire \$12,186 reported to have been exchanged during the 60-day temporary duty period. In support of his claim, Mr. Thompson has provided a copy of one receipt from the Marriott Riyal showing the exchange of \$200 at the rate of 3.25 Riyals to the dollar. There is no indication of a commission charge, merely a statement of the exchange rate. Mr. Thompson seeks reimbursement of this \$902.67. The Department of the Air Force has denied his claim, and that denial has been sustained by our Claims Group. -

DISCUSSION


Section 5706 of Title 5, United States Code, authorizes only the payment of actual and necessary expenses incurred by Government employees traveling on official business away from their duty stations. Implementing the statute, Chapter 1, Part 9 of the Federal Travel Regulations (FTR), FPMR 101-7 (September 1981) incorp. by ref., 41 C.F.R. § 101-7.003 (1984), further authorizes the payment of certain miscellaneous expenses which may be incurred by employees in the performance of their duties. Thus, allowable expenses for currency conversion include reimbursement for commissions for the conversion of currency, FTR 1-9.1c(1). However, as a general rule, the risk of incurring an exchange loss while on temporary duty in a foreign country lies with the employee. Chester M. Purdy, 63 Comp. Gen. 554 (1984). We note that although Mr. Thompson has provided a currency exchange voucher showing a conversion of \$200 at an exchange rate of 3.25, there is nothing on that voucher nor are there any receipts or other evidence in the record that document the payment of commissions for the conversion of currency.

Mr. Thompson points out that our Office has recognized an exception to the rule cited in Chester M. Purdy, 63 Comp. Gen. 554, at 555, in Julian B. Hammond, B-185286, August 26, 1976, where we allowed an employee's loss on foreign currency conversion under the provisions of FTR para. 1-9.1d, which provides reimbursement for expenditures not otherwise enumerated when necessarily incurred for official purposes. There, an exchange loss was incurred as a result of a requirement of the Soviet government for official travelers to pay for hotel rooms in advance and in hard currency. As a result, the employee had little alternative but to accept and to pay in advance for his accommodations in hard currency. Thus, any loss which he sustained was necessarily incurred in the transaction of public business. However, as can be seen the exception in Julian B. Hammond is a narrow one. Mr. Thompson received his travel advance in United States dollars and voluntarily chose to convert these funds into Saudi Arabian currency. There is nothing in the record that indicates the presence of an official government policy for Mr. Thompson to follow as there was in Julian P. Hammond.

While Mr. Thompson alleges that he could not make other arrangements for the conversion of his currency, there is no support for this proposition beyond his allegation. The - choice to convert currencies, or to convert them at other than banks, as was done by Mr. Thompson was, therefore, his personal choice, not one imposed upon him.

Moreover, there is no specific statute or regulation authorizing reimbursement for currency exchange losses under these circumstances. This loss is neither enumerated under FTR para. 1-9 as an approved expense nor can it be viewed as a necessarily incurred expense essential to the transacting of Government business in connection with Mr. Thompson's temporary duty as required by FTR para. 1-9-1d. Cf. Robert Berman, B-210928, April 22, 1983 (cost of locksmith to unlock rental car not reimbursable as a temporary duty expense). Thus, absent statutory or regulatory authorization, Mr. Thompson's claimed travel expenses may not be approved. Chester M. Purdy, 63 Comp. Gen. at 555, and cases therein.

For the reasons stated above, we hold that Mr. Thompson may not be reimbursed the \$902.67.

for 
Comptroller General
of the United States